Secrt. II-27—100,000—21-5-52.

Dept (195) Department.

MS. SERIES.

G.O. No. 3788

Dated 22 8 51

[Despatch Abstract.]

Labour - Disputes - Salt industry - Workmen employed by Kuwait manufacturers - Appropriate - Govt - for referring disputes for adjudication - Govt. of India's opinion - instructions issued to the C.L.

Copy of letter L.R.No.1(145), dated 16th May 1951, from The Joint Secretary to Government of India, ~~Government of India~~, Ministry of Labour, New Delhi, to The Secretary to Government, Government of Madras, Development, Department, Madras-9.

Sub: Labour - Industrial disputes between the manufacturers of salt and the workers working under them - Appropriate Government - Modification of the words "establishment carried on under the authority of the Central Government" in the Labour Relations Bill.

I am directed to refer to your letter No.5967 PI/50-19, dated the 18th December 1950, on the subject mentioned above and to say that the Central Government find considerable difficult in accepting the view of the Subordinate Judge that they are the ap ropriate Government in respect of industrial disputes in salt pans owned nd worked by private manufacturers. The view of the Subordinate Judge that "if salt is a central subject under the control of the Central Government, it would be the appropriate Government for the purpose of making any reference to the Court, Board or the Tribunal in the matter of settlement or adjudication of an industrial dispute" does not seem to be correct. Laws for the settlement of industrial and labour disputes are enacted not by virtue of any entry in the Union list of the Seventh Schedule but by virtue of entry No.22 of the concurrent list of that Schedule in the Constitution. (See also corresponding entry 29 in the Government of India Act, 1935). Under the proviso to article 73(1) of the Constitution the executive power of the Union does not extend in any Part A or Part B state to matters covered by legislation based on the concurrent list "save as expressly provided in this Constitution or in any law made by Parliament." There was a corresponding provision in section 8 of the Government of India Act, 1935 as amended by Act I of 1949. It is by virtue of this saving provision in article 73(1) of the Constitution that executive power in regard to the settlement of industrial disputes is shared between the Central and State Governments in accordance with the definition of the term "appropriate government" occurring in the Industrial Disputes Act. The test whether labour disputes in the salt industry fall within the Central or State sphere is, therefore, whether, in terms of section 2(a) of the Industrial Disputes Act, the industry is one carried on "by or under the authority of the Central Government." The expression "by or under the authority of the Central Government" occurs in a number of statutes. It implies that the Central Government own the undertaking or have some controlling interest in the management of the undertaking. In the case of salt pans owned and worked by private manufacturers, the Central Government have no such interest. Overall regulation and control of an industry as a measure of State policy does not vest "authority" over the units of that industry in the Central Government. The Central Government are, therefore, of the opinion that in the case of salt pans worked by private manufacturers, the appropriate government for referring disputes to adjudication is the State Government.

(SD.) K.N. SUBRAMANIAN.
Joint Secretary.

/True Copy/.

Vn.24.9.

GOVERNMENT OF MADRAS.
ABSTRACT.

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Labour - Disputes - Salt industry worked by private manufacturers - Appropriate Government for referring disputes for adjudication - Government of India's opinion - Instructions issued to the Commissioner of Labour.

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DEVELOPMENT DEPARTMENT.

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G.O.Ms.No.3788. Dated 22nd August 1951.

Read the following:

Letter No.5967 PI/50-19, dated 18.12.50 to the Government of India, Ministry of Labour.
Memo.No.115589 PI/50-1, dated 27.12.50.
Letter from the Government of India, Ministry of Labour, L.R.1.(145), dated 16.5.51.

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O R D E R:

COPY of letter No.LR.1(145), dated 16.5.51 from the Government of India, Ministry of Labour, New Delhi is communicated to the Commissioner of Labour. In view of the opinion contained therein, the Commissioner of Labour is informed that the disputes in salt and similar industries worked by private manufacturers should be dealt with in the Labour Department in future for conciliation and that the State Government are the appropriate Government that should take action to declare the Salt industry as a public utility service.

(BY ORDER ETC.,)

(Sd.) x x x
Secretary to Government.

To The Commissioner of Labour.

Copy to the Regional Labour Commissioner (Central), Flat No.12, First Floor, Khalleali Mansions, Mount Road, Madras.

/True copy/.

R. Nagarajan
SUPERINTENDENT.

V.N. 24-9.